

107TH CONGRESS
2D SESSION

H. R. 3704

To amend the Internal Revenue Code of 1986 to allow a deduction to individuals for credit card interest.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2002

Mr. MEEKS of New York introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow a deduction to individuals for credit card interest.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Consumer Credit Card
5 Compensation and Economic Incentive Act of 2002”.

6 **SEC. 2. ALLOWANCE OF DEDUCTION FOR INDIVIDUALS FOR**
7 **CREDIT CARD INTEREST.**

8 (a) IN GENERAL.—Paragraph (2) of section 163(h)
9 of the Internal Revenue Code of 1986 (relating to dis-
10 allowance of deduction for personal interest) is amended

1 by striking “and” at the end of subparagraph (E), by
2 striking the period and inserting “, and” at the end of
3 subparagraph (F), and by adding at the end the following
4 new subparagraph:

5 “(G) interest paid on amounts charged to
6 a credit card during taxable years beginning
7 after December 31, 2001, and before January
8 1, 2007.”.

9 (b) LIMITATION.—Section 163(h) of such Code is
10 amended by adding at the end the following new para-
11 graph:

12 “(6) LIMITATION ON CREDIT CARD INTER-
13 EST.—The amount of interest which may be taken
14 into account for purposes of paragraph (2)(G) may
15 not exceed \$5,000 for any taxable year.”.

16 (c) EFFECTIVE DATE.—The amendments made by
17 this Act shall apply to taxable years beginning after De-
18 cember 31, 2001.

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